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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
In re	:	Chapter 11
	:	
SEARS HOLDINGS CORPORATION, et al.,	:	Case No. 18-23538 (RDD)
	:	
Debtors.¹	:	(Jointly Administered)
	:	
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**STIPULATION, AGREEMENT, AND
ORDER APPROVING LEASE TERMINATION
AGREEMENT (416 SE F AVENUE, LAWTON, OKLAHOMA)**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

This stipulation, agreement, and order (the “**Stipulation, Agreement, and Order**”) is entered into by and between Sears, Roebuck and Co. (“**Sears**”), as debtor and debtor-in-possession in the above captioned chapter 11 cases, and IQ9-200 SW C AVE, LLC, a Delaware limited liability company (the “**Landlord**”). Sears and the Landlord are collectively referred to in this Stipulation, Agreement, and Order as the “**Parties**” and each as a “**Party**.” The Parties hereby stipulate and agree and follows:

RECITALS

A. The Landlord is the owner of a warehouse consisting of approximately 15,000 square feet situated at 416 SE F Avenue, Lawton, Oklahoma (the “**Leased Premises**”).

B. On August 17, 1978, Sears and the Landlord’s predecessor entered into that certain lease agreement for the Leased Premises (together with any amendments, modifications, renewals and guaranties, the “**Lease**”), which in accordance with its terms, is scheduled to expire on or about September 2, 2053 (the “**Lease Expiration Date**”).

C. Upon information and belief, several years ago, Sears vacated and ceased using the Leased Premises. Since such time, and through and including February 2019, Sears has paid fixed annual rent in the amount of \$20,000 payable in equal monthly installments of \$1,666.67.

D. On October 15, 2018 (the “**Commencement Date**”) and continuing thereafter, Sears and its debtor affiliates (collectively, the “**Debtors**”), each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

E. The Parties have agreed, subject to approval by the Bankruptcy Court, to enter into a lease termination agreement (the “**Lease Termination Agreement**”) which provides for, *inter alia*, the termination of the Lease and waiver by the Landlord of Sears’ obligations and liabilities under the Lease, including any postpetition obligations. A copy of the Lease Termination Agreement is attached hereto as **Exhibit A**.

NOW, THEREFORE, UPON THE FOREGOING RECITALS, WHICH ARE INCORPORATED AS THOUGH FULLY SET FORTH HEREIN, IT IS HEREBY STIPULATED AND AGREED, BY AND BETWEEN THE PARTIES, THAT:

AGREEMENT

1. This Stipulation, Agreement, and Order shall have no force or effect unless and until the date it is approved by the Bankruptcy Court (the “**Termination Date**”).

2. Upon the Termination Date, the Lease Termination Agreement shall be deemed approved and shall become binding upon and enforceable against the Parties.

3. As of the Termination Date, the Landlord shall release Sears from any and all obligations and liabilities under the Lease and all claims of whatever nature arising under the Lease, including, without limitation, the Landlord’s claim for rent or other charges for the period subsequent to the Commencement Date. For the avoidance of doubt, nothing contained in this Stipulation, Agreement, and Order affects the Landlord’s rights concerning the Sears store (the “**Sears Lawton Store**”) in Lawton, Oklahoma and the separate lease relating to the Sears Lawton Store.

4. This Stipulation, Agreement, and Order shall be filed and become part of the record in the Debtors’ chapter 11 cases.

5. Each person who executes this Stipulation, Agreement, and Order on behalf of a Party hereto represents that he or she is duly authorized to execute this Stipulation, Agreement, and Order on behalf of such Party.

6. This Stipulation, Agreement, and Order and the Lease Termination Agreement contain the entire agreement between the Parties and supersedes all prior discussions, agreements, and undertakings between the Parties relating to the subject matter hereof.

7. This Stipulation, Agreement, and Order may be executed simultaneously in one or more counterparts, and by the parties hereto in separate counterparts, and with facsimile or pdf signatures being deemed originals, each of which when executed shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

8. This Stipulation, Agreement, and Order and the Lease Termination Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns, and shall not be modified, altered, amended or vacated without the written consent of all parties hereto or further order of the Bankruptcy Court.

9. This Stipulation, Agreement, and Order shall be governed by, and construed in accordance with, the laws of the State of New York, except to the extent that the Bankruptcy Code applies, without regard to principles of conflicts of law that would require the application of laws of another jurisdiction. The Bankruptcy Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation, Agreement, and Order.

[Remainder of page left intentionally blank]

Dated: May 29, 2019

WEIL GOTSHAL & MANGES LLP
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Dated: May 29, 2019

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By: /s/ Jacqueline Marcus
Jacqueline Marcus, Esq.

By: /s/ Joseph Aronauer
Joseph Aronauer, Esq.

SO ORDERED:

Dated: June 11, 2019
White Plains, New York

/s/Robert D. Drain
HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

Lease Termination Agreement